
SRP's Green Energy Program

**“What drives the green
energy purchase?”**

Renewable Energy Initiative

SRP Board of Directors was proactive in developing a Renewable Portfolio Standard (RPS) in 2000.

- ♦ **Develop renewable energy sources**
- ♦ **Explore new emerging renewable technologies**
- ♦ **Respond to legislative initiatives**
- ♦ **Provide green pricing program for customers**
- ♦ **Educate the public and future generations**
- ♦ **Demonstrate our environmental responsibility**

Tri-Cities Landfill Generation Plant



- ◆ **Collaboration with SRPMIC**
- ◆ **1st project of its kind with an Indian community**
- ◆ **Plant size - 4 MW**
- ◆ **Methane gas used to fuel 5 internal combustion engines**
- ◆ **Reduces odors, air pollution and safety hazards**
- ◆ **Fully operational June, 2001**

Arizona Falls Project



Arizona Falls Project



- ◆ **Partnership with Phoenix Arts Commission U.S. Bureau of Reclamation, Neighborhood**
- ◆ **Canal Multiple Use/ Public Art/ Renewable Energy**
- ◆ **750 kW**

Rogers 400 kW PV System



- ◆ **Initial 200 kW PV System located at Santan Generating Station**
- ◆ **Provides green energy for SRP EarthWise Energy customers**

Agua Fria PV Installation



- ◆ **200 kW system located at Agua Fria Generating Station**
- ◆ **Provides green energy for SRP EarthWise Energy customers**

Mesa City Library PV Parking

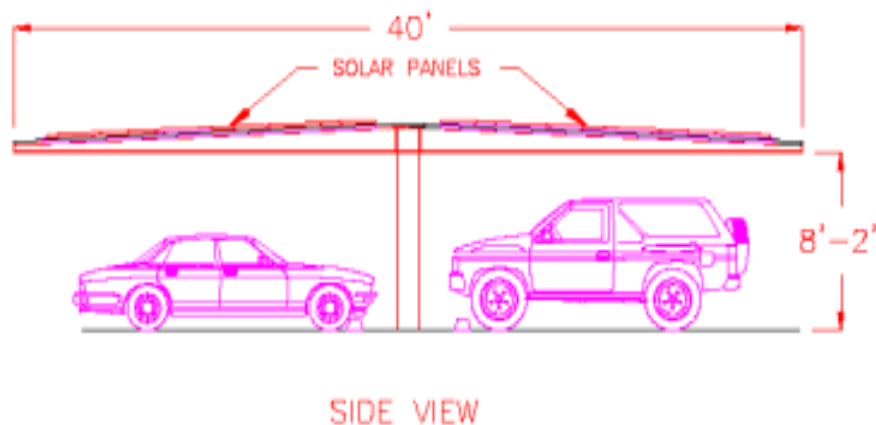


- ◆ **25 kW system with covered parking for 34 spaces**
- ◆ **Provides green energy for SRP EarthWise Energy customers**

City of Phoenix Park & Ride PV



- ◆ Cooperative project between SRP and City of Phoenix
- ◆ 100kW PV system on parking structures and security building
- ◆ City to purchase green energy from SRP

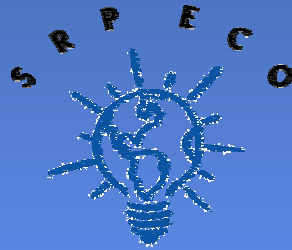


Wind Development Opportunity



- ♦ **50 MW wind purchase from Public Service of New Mexico – October 2003**
- ♦ **Evaluating opportunities for build wind generation in state as well**

Green Energy Pricing Program



EarthWise Energy

EarthWise Energy

EarthWise Energy is a mix of new renewable energy consisting of solar, wind, landfill gas and low impact hydro.

New Renewable Resources

◆ **SRP's current installed capacity:**

<u>Description of Generation Unit</u>	<u>Capacity (kW)</u>
PV Plants	400
Wind Purchase	50,000
Tri-Cities Landfill	4,000
AzFalls Low Head Hydro	750
Mesa Library Parking	<u>25</u>
Total	55,175

Residential & Small Business Program



- ♦ Program Launch 03/01
- ♦ \$3 per month premium for 100kwh block
- ♦ 4010 residential customers have purchased 6378 blocks
- ♦ 35 small commercial customers have purchased 534 blocks

Marketing/Advertising Efforts

- ◆ **Bill enclosures**
- ◆ **IMAX Theatre advertising/promotion**
- ◆ **Direct mail campaigns**
- ◆ **Newspaper advertising**
- ◆ **Radio spots**
- ◆ **Garden Guy “Green Idea” and EarthWise Commercial**
- ◆ **Internet promotion offers**
- ◆ **“SRP Green Team” at community events**
- ◆ **Employee/customer “Dinner and a Movie” campaign**

THERE'S NOWHERE WE
WON'T LOOK FOR
A NEW ENERGY SOURCE.



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What is EarthWise Energy™?

At SRP, we're constantly looking for more environmentally friendly ways to produce electricity. Part of our ongoing ECO program, EarthWise Energy represents our environmental commitment to the Valley. The development of EarthWise Energy has allowed us to introduce an environmentally friendly energy to you.



EarthWise Energy

EarthWise Energy is a mix of locally produced, clean energy. EarthWise Energy generates electricity from alternative energy sources such as the sun, water, and even garbage. These energy sources have proven to be better for the environment than traditional sources of energy. To date, over 2,800 concerned customers have signed up for our EarthWise Energy program. And you, too, can be part of creating a cleaner future for you, your family and the Valley.



Sign up for EarthWise Energy and get a free pair of SOS Planet IMAX movie tickets.



EarthWise Energy and IMAX Theatres are giving you the chance to take a 3D adventure into the planet's most exotic locales. SOS Planet will explore some of the Earth's greatest environmental threats such as deforestation, global warming, and marine depletion, from the Borneo rain forests to the Arctic. To bring each exotic environment to life and show the imminent dangers they face, digitally animated animals who inhabit these areas will guide you through the entirety of the film, while news icon Walter Cronkite hosts and narrates. SOS Planet begins Friday, February 7th, at the Arizona Mills IMAX Theatre in Tempe, and will run through May 2003. ~~In order~~ to receive free tickets, be one of the first 250 people to sign up for EarthWise Energy. You'll be rewarded not just with the state-of-the-art sound and image quality that IMAX movies offer, but also knowing you're playing a key role in preserving the environment.

IMAX
THEATRE

EarthWise Energy is an easy way to support clean energy and is a part of SRP's vision for the future.

To sign up for EarthWise Energy, fill out the form below and send it in with your bill, visit www.srpnet.com/prices/earthwise, or call (602) 236-8888.

Yes, I support the use of renewable energy.

Just check a box below. The monthly fee will be added as a line item to your bill.

- ☐ \$3.00 additional per month
- ☐ \$6.00 additional per month
- ☐ \$9.00 additional per month
- ☐ \$12.00 additional per month

Customer Name _____

SRP Account Number _____

Service Address _____

Mailing Address _____

City, State, Zip _____

(Area Code) Daytime Phone _____

E-mail Address (optional) _____

Premiums received from the EarthWise Energy program will help support the cost of building, operating and maintaining renewable resources.

You will continue to receive the same reliable, responsible delivery of electricity from SRP regardless of whether you purchase energy or any other product or service from another provider. Enrollment is limited to SRP's available renewable capacity.

IMAX THEATRE

NEWSPRINT

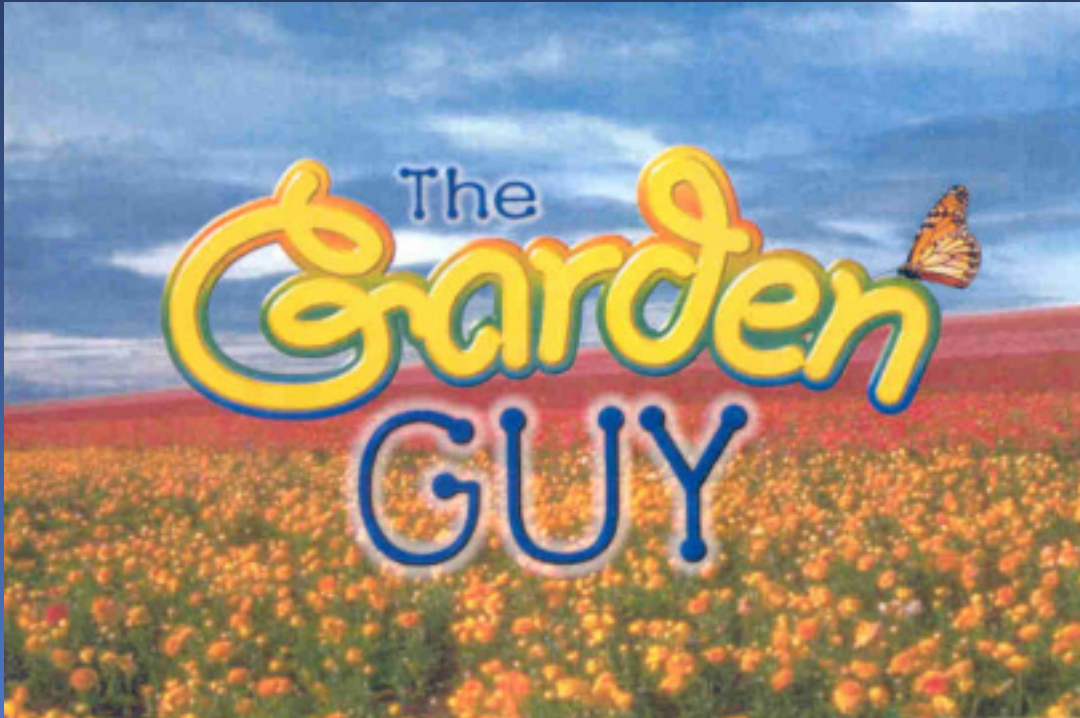
**SOME PEOPLE FEEL
ALTERNATIVE ENERGY IS
A BUNCH OF GARBAGE.**


EarthWise Energy

At SRP, we're always looking for more environmentally friendly ways to produce electricity for our customers. EarthWise Energy™ is a mix of locally produced renewable technologies that include Solar Electric and Landfill Gas. That's right - electricity from trash. Thank you to the Salt River Pima-Maricopa Indian Community and the Tri Cities Landfill for helping to make EarthWise Energy a reality. To sign up, visit www.srpnet.com/prices/earthwise or call (602) 236-8888.

Delivering more than power™ 

You will continue to receive the same reliable, responsible delivery of electricity from SRP regardless of whether you purchase energy or any other product or service from another provider.



CHAZZEL
GARDEN
GUY



YOUR HOME | YOUR BUSINESS | OUR COMMUNITY

ABOUT SRP | POWER | WATER | ENVIRONMENT | ESPAÑOL | HELP



A free gift for you, and for the earth too

When you sign up for EarthWise Energy™, not only will you be investing in energy for the future, but you will be saving energy as well.

[EarthWise Energy](#) is a mix of locally produced electricity generated from clean energy sources such as the sun, flowing water in our canals, and even garbage. EarthWise Energy preserves natural resources and helps ensure clean, renewable energy sources for future generations.

Get a free energy-saving light bulb

[Sign up for EarthWise Energy](#) today and receive a free compact fluorescent light bulb. This energy saving light bulb, endorsed by Energy Star, has the following features:

- Five-year life (four hours usage per day)
- Energy-saving bulb is 14W fluorescent (equivalent to 60W incandescent) which saves energy costs
- 6,000 hour lamp (equivalent to six incandescent bulbs)
- Spiral lamp
- Warm white light
- Instant start, flicker free

Give yourself a free gift, and give the earth and future generations a gift too. [Sign up for EarthWise Energy](#) today.

Printer-friendly version

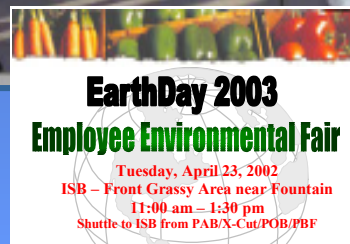


Delivering More Than Power®

THE EARTH PROMOTION



E V E N T S



SRP environmental news

spring 2003

Summer Opening Planned For Arizona Falls

The long-awaited completion of a hydropower project appears to be just a few months away. When the new Arizona Falls reopens in summer 2003, Phoenix-area residents will be able to experience something old and something new.

Early Phoenixians enjoyed the wonders of Arizona Falls, located at 56th Street and Indian School Road. Then, Arizona Falls was a dramatic 20 foot waterfall on the canal and the site of the Valley's first



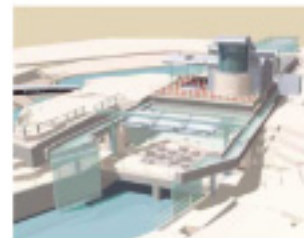
hydroelectric plant. In the late 1800s, people gathered there to picnic, socialize and dance near the cool water.

SRP, the City of Phoenix Arts Commission and the Arcadia neighborhood have joined to once again make Arizona Falls a public gathering place to learn, interact and reflect. The new Arizona Falls combines art, history and technology to generate clean electricity from the canal's waterfall.

Electricity produced at the new Arizona Falls will be part of SRP's EarthWise Energy® and will generate enough energy to power up to 150

homes. The roof of the new turbine building and the adjacent shade structure will house solar panels to power ceiling fans on the public deck. Excess power will flow to SRP's electric distribution system.

The site also will showcase the Phoenix Art Commission's "Water Works at Arizona Falls" project. Through sheets of flowing water, visitors will see a turbine that was used in the original hydroelectric plant. Two aqueducts will frame the room to create the feeling of being inside the historic waterfall. A shade structure will cover stone block seats near a pool of water, allowing visitors to enjoy the experience year-round.



Inside This Issue

Power From The Sun



Tree Planting



Water Conservation



SRP Green Team

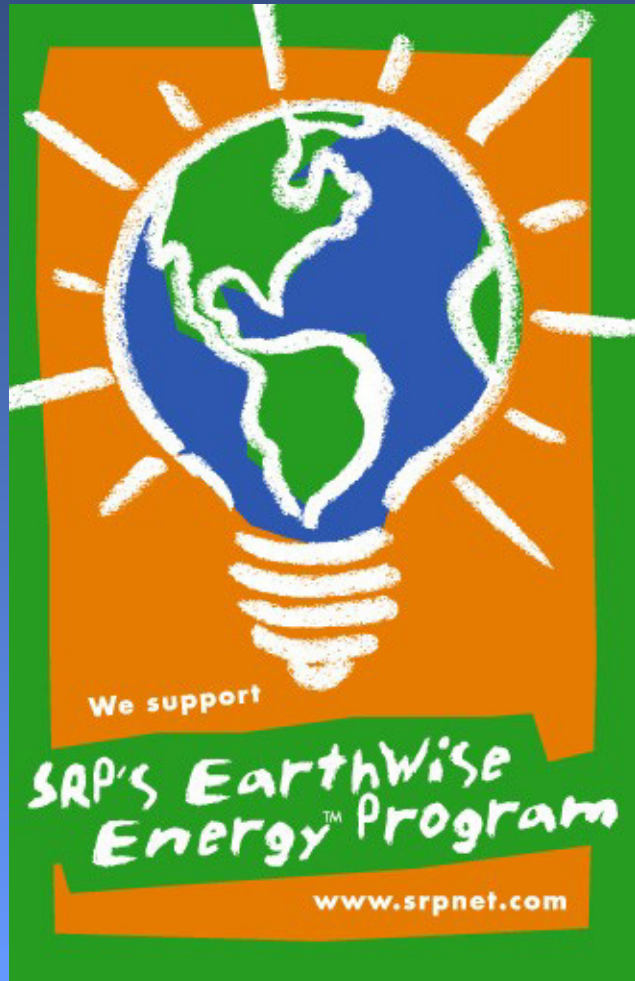


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NEW
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Large Industrial/Municipalities (Pilot)



- ◆ **Program Launched 8/02**
- ◆ **Annual energy use in excess of 100,000 kWh**
- ◆ **“Volume Discount”**
 - **3 cents / kWh subscribed**
 - **2 cents / kWh (50,000 kWh minimum)**
 - **1.5 cents / kWh (100,000 kWh minimum)**

AS OF TODAY, EVERY DAY

IS EARTH DAY. Taking care of the environment is a full-time job.

That's why we'd like to thank Maricopa County for their dedication

to the SRP EarthWise Energy™ program. One of the first

participants in the program, today Maricopa County is the state's largest

buyer of green energy. Together, with customers like

Maricopa County, we are working to supply the Valley with

renewable energy sources that benefit the

environment today and every day.



Delivering more than power.™



www.srpnet.com

MARICOPA COUNTY

 **AMERICA WEST AIRLINES®** presents

ZooLights

at the Phoenix Zoo

Powered by SRP's EarthWise Energy

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Previous Research Used to Define Target

- ◆ **Higher average age (50 vs. 44)**
- ◆ **Higher frequency of post-graduate education**
- ◆ **Smaller household size and fewer children at home**
- ◆ **Lower monthly electric bill**
- ◆ **Higher rate of membership in environmental groups**
- ◆ **Most importantly, research confirmed demographics are not a good predictor of participation in EarthWise**

Resonance® Technology From Gang & Gang

- ♦ **Statistically valid process for measuring emotions and motivation related to purchasing behavior**
 - **Self-administered survey**
 - **Eliciting both emotional and rational data, quantified and normalized**
- ♦ **Generating precise diagnostics of:**
 - **How people feel about a subject**
 - **Why they feel the way they do**

Motivational Segments

Passionate emotions define *motivational segments* with different issues in each segment

EarthWise Participants --
Actual Experience
in the EarthWise Program

MOTIVATIONS (passionate positive emotions)	HIGH	LOW
	TRUE BELIEVERS 54%	LIP SERVICE 43%
		INHIBITIONS (passionate negative emotions)
		LOW HIGH
		1% 3%

Non-Participating SRP Customers --
Expected Experience in EarthWise

MOTIVATIONS (passionate positive emotions)	HIGH	LOW
	LIVE WIRES 15%	NEUTRALS 40-45%
		INHIBITIONS (passionate negative emotions)
		LOW HIGH
		2-5% 35-40%

New Way of Approaching Target based on Gang & Gang Research

- ♦ **New target “Live Wires”**
- ♦ **Defined as non-participants who are already motivated to sign-up for EarthWise**
- ♦ **Designed campaign to target “emotional needs” of potential customers**

Definition of Live Wires

- ◆ **More emotionally ready to adopt than general population**
- ◆ **Have many more questions than the general population**
- ◆ **Need to win their support based on emotional need**
- ◆ **Motivated by key motivators**
 - **Self Image**
 - **Community**
 - **Environmental Benefits**
 - **Cost Savings**
- ◆ **Psychographic rather than demographic**

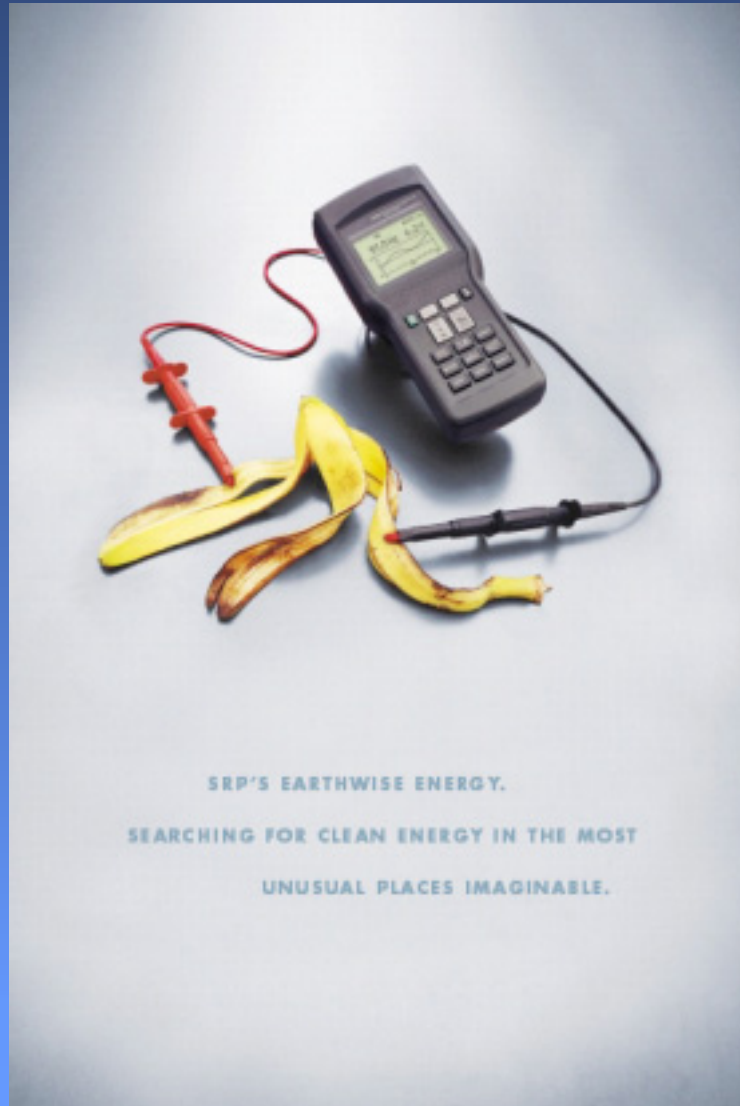
Implementing Research Findings Into Creative Development

- ♦ **Creative driven by research outcomes**
- ♦ **Two-Tier approach**
- ♦ **First Mailing - emotional appeal**
- ♦ **Second Mailing – technical appeal**
- ♦ **Copy designed to appeal to incorporate a call to action based on motivating factors**

Specific Creative Executions



Specific Creative Executions



Implementing Research Findings into Campaign

- ◆ Testimonials by EarthWise customers
- ◆ Messaging Points
 - “Your participation has the same positive impact on air quality that carpooling to work one week per month would have.”
 - “You can be a part of it.”
 - “Funding is used to build solar projects in the community.”
- ◆ Technologies explained
- ◆ Extending the research outcomes in everything we do (radio, events, sponsorships, etc.)

Overcoming Hurdles

- ◆ **“Traditional marketers” have difficulty accepting this new way of defining target for EarthWise**
- ◆ **Cost efficiencies issue – How do we find “Live Wires”**

Campaign Results

- ◆ **Program participation increased by a third**
- ◆ **Second campaign being designed to build on learnings**
- ◆ **Continuing Challenges**
 - **Renewable energy is new concept**
 - **Technologies unfamiliar**
 - **Pricing structure difficult to understand**
 - **How do we find “Live Wires”?**